



Senate

General Assembly

File No. 414

February Session, 2008

Substitute Senate Bill No. 56

Senate, April 3, 2008

The Committee on Government Administration and Elections reported through SEN. SLOSSBERG of the 14th Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

***AN ACT ESTABLISHING A JOINT ENFORCEMENT COMMISSION ON
EMPLOYEE MISCLASSIFICATION.***

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2008*) (a) There is established a
2 joint enforcement commission on employee misclassification. The
3 commission shall consist of the Labor Commissioner, the
4 Commissioner of Revenue Services, the chairperson of the Workers'
5 Compensation Commission, the Attorney General and the Chief State's
6 Attorney, or their designees.

7 (b) The joint enforcement commission on employee misclassification
8 shall meet not less than four times each year. The task force shall
9 review the problem of employee misclassification by employers for the
10 purposes of avoiding their obligations under state and federal labor,
11 employment and tax laws. The commission shall (1) coordinate the
12 investigation and civil and criminal prosecution of violations of state
13 and federal laws through employee misclassification; (2) consult with

14 representatives of business and labor organizations to make
 15 administrative and legislative recommendations for improving the
 16 state's enforcement of these laws; (3) work cooperatively with business
 17 and labor organizations to reduce employee misclassification; and (4)
 18 cooperate with social organizations and state and local social service
 19 departments to provide assistance to populations that have been
 20 exploited by employee misclassification.

21 (c) On or before February 1, 2010, and annually thereafter, the
 22 commission shall report, in accordance with section 11-4a of the
 23 general statutes, to the Governor and the joint standing committee of
 24 the General Assembly having cognizance of matters relating to labor.
 25 The report shall summarize the commission's actions for the preceding
 26 calendar year and include any recommendations for administrative or
 27 legislative action.

This act shall take effect as follows and shall amend the following sections:		
Section 1	July 1, 2008	New section

LAB *Joint Favorable Subst. C/R*

GAE

GAE *Joint Favorable*

The following fiscal impact statement and bill analysis are prepared for the benefit of members of the General Assembly, solely for the purpose of information, summarization, and explanation, and do not represent the intent of the General Assembly or either chamber thereof for any purpose:

OFA Fiscal Note

State Impact: None

Municipal Impact: None

Explanation

The bill, which establishes a joint enforcement commission on employee misclassification, has no fiscal impact.

The Out Years

State Impact: None

Municipal Impact: None

OLR Bill Analysis**sSB 56*****AN ACT ESTABLISHING A JOINT ENFORCEMENT COMMISSION
ON EMPLOYEE MISCLASSIFICATION.*****SUMMARY:**

This bill establishes a permanent enforcement commission to address the problem of employers avoiding state and federal labor, employment, and tax law obligations by misclassifying their employees. The commission must meet at least quarterly and coordinate the investigation and prosecution of employment law violations involving employee misclassification. The most common form of misclassification involves an employer treating employees as independent contractors in order to avoid paying workers' compensation insurance premiums and unemployment taxes.

By February 1, 2010, and every year after that, the commission must submit its report, with recommendations, to the governor and the Labor and Public Employees Committee.

EFFECTIVE DATE: July 1, 2008

JOINT ENFORCEMENT COMMISSION***Mission and Duties***

The enforcement commission must review the problem of employers avoiding state and federal labor, employment, and tax law obligations by misclassifying their employees. It must:

1. coordinate the investigation, and civil and criminal prosecution of, state and federal law violations through employee misclassification;

2. consult with business and labor organization representatives to make administrative and legislative recommendations for improving state enforcement of these laws;
3. work cooperatively with business and labor organizations to reduce employee misclassification; and
4. cooperate with social organizations and state and local social service departments to assist populations exploited by employee misclassification.

Members

The commission members are the (1) labor commissioner, revenue services commissioner, workers' compensation chairperson, the attorney general, and chief state's attorney, or their designees.

Report

This annual report must summarize the commission's actions for the year and include any administrative or legislative recommendations.

COMMITTEE ACTION**Labor and Public Employees Committee**

Joint Favorable Substitute Change of Reference
Yea 11 Nay 0 (03/04/2008)

Government Administration and Elections Committee

Joint Favorable
Yea 7 Nay 4 (03/17/2008)